

Procedures for Implementation of Auburn University's Conflict of Interest Policy as it applies to research and education activities funded by the National Science Foundation (NSF)

Auburn University (the “University” has adopted as its basic policy on conflicts of interest the joint American Association of University Professors (“AAUP”) and the American Council on Education policy statement “On Preventing Conflicts of Interest in Government-Sponsored Research at Universities” (AAUP Redbook, 2001; University Faculty Handbook (“Handbook”). The Handbook directs the President to formulate, implement and publicize procedures to enforce this policy as required by applicable regulations.

The following Procedures supplement the basic policy on conflicts of interest and are not intended to substitute for compliance with the Alabama Code of Ethics for Public Officials, Employees, Etc. (Al. Code 1975 Title 36, Chapter 25).

I. DEFINITIONS

Investigator - the principal investigator, co-principal investigators/co-project directors, and any other person at the University who is responsible for the design, conduct, or reporting of research or educational activities funded or proposed for funding by NSF.

Significant Financial Interest (SFI) - anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity interest (e.g., stocks, stock options or other ownership interests); and intellectual property rights (e.g., patents, copyrights and royalties from such rights).

The term does not include:

- salary, royalties or other remuneration from the University;
- income from seminars, lectures, or teaching engagements sponsored by public or non-profit entities;
- income from service on advisory committees or review panels for public or nonprofit entities;
- an equity interest that, when aggregated for the Investigator and the Investigator's spouse and dependent children, meets both of the following tests: does not exceed \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value, and does not represent more than a 5% ownership interest in any single entity; or
- salary, royalties or other payments that, when aggregated for the Investigator and the Investigator's spouse and dependent children, are not expected to exceed \$10,000 during the prior twelve-month period.

Immediate Family - the Investigator's spouse and any dependent children. Throughout these procedures, Significant Financial Interest of the Investigator also shall include the interests of the Investigator's Immediate Family.

Business Enterprise - any corporation, partnership, proprietorship, firm, enterprise, franchise, trust, or other entity.

Disclosure Form - a form initially submitted by an Investigator to the University disclosing Significant Financial Interest(s) as required by NSF and these procedures.

Reviewer - a responsible representative of the University who reviews the Disclosure Form to determine if a Conflict of Interest exists and determines what conditions or restrictions, if any, should be imposed by the University to manage, reduce, or eliminate such Conflict of Interest. This individual is the Associate Provost and Associate Vice President for Research through the Office of Research Compliance, other individuals as appointed by the Authorized Institutional Representative, or the Vice President for Research and Economic Development should the Associate Provost and Associate Vice President have a conflict of interest associated with the issue at hand.

Conflict of Interest - exists when the Reviewer(s) reasonably determines that a Significant Financial Interest could directly and significantly affect the design conduct, or reporting of NSF-funded research or educational activities.

Authorized Institutional Representative – is, for the purposes of these Procedures, the Vice President for Research and Economic Development.

II. DISCLOSURE REQUIREMENTS

Each Investigator must disclose to the University's Reviewer all Significant Financial Interests of the Investigator and the Investigator's Immediate Family:

- that would reasonably appear to be affected by the research or educational activities funded or proposed for funding by NSF; or
- in entities whose financial interests would reasonably appear to be affected by such activities.

Each Investigator planning to participate in NSF-funded research or educational activities is required to complete a Disclosure Form which includes the Investigator's Significant Financial Interests (and those of the Investigator's Immediate Family) to the University's Reviewer prior to the time of application for NSF-funded research or educational activities.

Each Investigator participating in NSF-funded research or educational activities is required to submit an updated Disclosure Form which includes the Investigator's Significant Financial Interests (and those of the Investigator's Immediate Family) at least annually, between August 1 and August 31, during the period of the award; prior to the processing of a new award or modification to the scope of work; and within thirty days of discovering or acquiring a new Significant Financial Interest for themselves (or their Immediate Family).

Annual disclosures from Investigators should include any information that was not disclosed initially to the University during the planning/proposal stage of the project or in a subsequent disclosure of Significant Financial Interest and shall include updated information regarding any previously disclosed Significant Financial Interest.

Upon receipt of a Disclosure Form, the Reviewer must:

- determine whether a Conflict of Interest exists; and
- determine what conditions or restrictions, if any, should be imposed by the University to manage, reduce or eliminate such Conflicts of Interest.

The Reviewer may involve the Investigator in the determination of whether a Significant Financial Interest is related to NSF-funded research project(s) or may involve consultants or others as they deem appropriate to carry out any of the Reviewer's responsibilities as described by NSF or in the University Conflict of Interest Policy for Research and Related Activities or these Procedures.

III. SANCTIONS FOR NON-DISCLOSURE

The University is required by NSF to establish adequate enforcement mechanisms, and provide for sanctions where appropriate. Sanctions shall apply for non-compliance with these implementation Procedures of the Conflict of Interest Policy. The appropriate Deans (or designated Associate Dean for Research) or Vice President shall utilize the standard faculty or staff disciplinary procedures or other applicable University disciplinary policies or guidelines which may result in suspension, dismissal, or severance of relationship with the University to impose sanctions for violation of the University Conflict of Interest Policy for Research and Related Activities and these Procedures. Other sanctions which might be imposed include, but are not limited to:

- Freezing expenditures from involved funds or terminating the involved sponsored project(s) or other agreements
- Removal of the non-compliant Investigator from a project(s)
- Revocation of the privilege for engaging in research, sponsored activities and other scholarly activities, and/or
- Penalties if Conflict of Interest is determined to be in violation of the Alabama Code of Ethics for Public Officials, Employees, Etc. (Al. Code 1975 Title 36, Chapter 25).

IV. MANAGEMENT OF ACTUAL OR POTENTIAL CONFLICT OF INTEREST

For any Conflict of Interest, the Reviewer may impose conditions or restrictions on an Investigator or a NSF-funded project to manage, reduce, or eliminate such Conflict of Interest.

The following are examples of actions which might be taken include, but are not limited to:

- public disclosure of Significant Financial Interests;

- monitoring of the research or educational activities by independent reviewers;
- modification of the research or educational activities plan;
- disqualification from participation in the portion of the NSF-funded research or educational activities that would be affected by Significant Financial Interests;
- divestiture of Significant Financial Interests; or
- severance of relationships that create conflicts.

Within one week of notification of the Reviewer's decision, the Investigator must acknowledge, in writing, agreement to comply with the required actions or submit a written request for reconsideration to the Authorized Institutional Representative who may recommend to the Reviewer that a requirement be amended or deleted. The Authorized Institutional Representative may not alter or remove a requirement. The Authorized Institutional Representative may add requirements at his/her discretion. Based upon a response from the Reviewer, the Authorized Institutional Representative will issue a final binding decision on the appeal. The Investigator has the right for a timely decision by all parties in the process. The time from submission of a written request from an Investigator for reconsideration to final resolution by the Authorized Institutional Representative should not exceed 30 days.

The Authorized Institutional Representative must keep the NSF's Office of the General Counsel appropriately informed if the University finds that it is unable to satisfactorily manage a Conflict of Interest. University notifications of Conflict of Interest that cannot be managed, reduced, or eliminated must be submitted electronically via use of NSF's electronic systems.

V. SUBRECIPIENT COMPLIANCE AND REPORTING

When the University carries out NSF-funded research or educational activities through subrecipients, contractors, or collaborators, the University will take reasonable steps to ensure that: a. the entity has its own policies in place that meet the requirements of the NSF Award and Administration Guide Chapter IV(A) – Grantee Standards, Conflict of Interest Policies or its replacement; or b. Investigators working for such entities follow these Procedures.

VI. MAINTENANCE OF RECORDS

The University, through the Authorized Institutional Representative, will maintain all Disclosure Forms, review and response documentation, and all related records of actions taken by the University with respect to disclosures of Significant Financial Interest(s) of Investigators for at least three (3) years beyond the termination or completion of the grant to which they relate, or until the resolution of any NSF action involving those records, whichever is longer. The content of such records are considered confidential to the extent allowable by applicable laws and regulations.

VII. CERTIFICATIONS

The Authorized Institutional Representative is responsible for certifying to NSF that the University has implemented a written and enforced conflict of interest policy that is consistent with the provisions of NSF Award and Administration Guide Chapter IV(A) – Grantee Standards, Conflict of Interest Policies or its replacement; that to the best of his/her knowledge, all financial disclosures required by that conflict of interest policy have been made; and that all identified Conflicts of Interest will have been satisfactorily managed, reduced or eliminated prior to the expenditure of any funds under the award, in accordance with the University's Conflict of Interest Policy for Research and Related Activities.